

Spot That Scam!

*Sound too good to be true?
Can you spot a scam?*



1. Looking for money for school? Which are questionable claims:
 - A. A scholarship that is guaranteed or your money back.
 - B. A scholarship that requires only a small application fee in exchange for a “guaranteed” scholarship.
 - C. Being “selected” as a winner in a contest that you never entered.
 - D. All of the above.
2. Ads pitching debt relief actually may be offering bankruptcy. What do you need to know?
 - A. Bankruptcy stays on your credit report for 10 years and can hinder your ability to get credit.
 - B. The details of any debt-relief services usually are in the fine print.
 - C. A and B
 - D. Nothing more! Sign up immediately!
3. Your wallet is gone, maybe lost or stolen. You should:
 - A. File a police report immediately.
 - B. Cancel your credit cards and speak to the fraud department at each credit reporting agency.
 - C. Report a missing driver’s license to the Department of Motor Vehicles.
 - D. All of the above.
4. You can’t pay your bills. You should:
 - A. Apply for another credit card.
 - B. Contact your creditors.
 - C. Fill out the check you got in the mail from a credit card company.
 - D. Change your name.
5. An ad says you can earn up to \$100,000 a year just by investing your money. For \$500, you can attend a seminar that promises to show you the secret to successful investing. You should:
 - A. Go to the seminar and start making money!
 - B. Research the seminar and the investment opportunity before you act.
 - C. Sign up. If you don’t like it, get your money back.
 - D. Call the people in the ad who claim success.
6. An ad in the classifieds promises good money for working a few hours a day at home. For a “small” fee, you’ll find out how to earn money stuffing envelopes. The ad might not say:
 - A. You might have to work many hours without pay.
 - B. You may have to pay for your own supplies.
 - C. There might NOT be any customers willing to pay for your service.
 - D. All of the above.
7. A commercial promises permanent weight loss of up to 30 pounds in a month with FatFoe. Results are achieved quickly and without exercise! Should you buy the product?
 - A. No! Claims for diet products and programs that promise fast and permanent weight loss are false.
 - B. Lose weight without exercise? Count me in!
 - C. You betcha! Then treat yourself to a triple grease-burger with double cheese.
 - D. B and C.

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8. An email or pop-up message asks for your financial information. It says your credit rating could be impacted if you don't respond. You should:
 - A. Turn off your computer immediately.
 - B. Delete the message. Don't email personal or financial information. Email is not a secure way to send this information.
 - C. Provide all the information asked.
 - D. Hide under your desk.
 9. A letter in the mail claims you just won an all-expense paid vacation, including accommodations! Just go online to a special website to claim your prize.
 - A. Pack your bags! You're going to Vegas, baby!
 - B. Go online and claim your prize. Money is tight, and you could use a break!
 - C. Not so fast. Research the travel seller and verify the arrangements before you pay a cent. Read the fine print, especially the cancellation and refund policies.
 - D. A and B.
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Answers: Did you Spot That Scam?

1. **D.** There are no guaranteed scholarships! Anyone promising a guaranteed scholarship is probably trying to take your money. Ask your school counselor or financial aid office for information on how to find scholarships.
2. **C.** Getting out of debt and declaring bankruptcy are two very different things. Make sure you understand all the details before signing up for debt relief services.
3. **D.** Federal law protects you from owing more than \$50 per credit card. And if you report your card as lost or stolen before a thief uses it, you won't owe anything at all. Contacting the police, DMV, and credit reporting agencies can reduce your risk of identity theft.
4. **B.** If you find that you can't pay your bills on time, contact your creditors immediately. Try to work out a modified payment plan that reduces your payments to a more manageable level. Don't wait until your accounts have been turned over to a debt collector.
5. **B.** Use caution when looking into seminars that promise fast and easy money, regardless of your lack of experience or training. These are often scams that use fake "success stories" to lure consumers, but may refuse refunds for disappointed customers.
6. **D.** We don't know of anyone who has gotten rich stuffing envelopes at home. Check out ftc.gov/workathome for more information.
7. **A.** Effective weight loss requires eating fewer calories and/or exercising more.
8. **B.** This is a phishing scam — using spam or pop-up messages to deceive you into disclosing your credit card numbers, bank account information, Social Security number, passwords, or other sensitive information.
9. **C.** Best not to gamble on deals that sound too good to be true. Get the details, read the fine print, and make an informed decision.



Your Scam-o-meter:

Correct answers:

- 0-3 Uh oh.... Not spectacular. Check out the information for consumers at www.consumer.gov/ncpw.
- 4-7 Not bad... But you could lose some money to scams. Review the information at www.consumer.gov/ncpw.
- 8-9 ***Congratulations! You're a Spot That Scam Champion!***
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